

Clerk File No. 309760

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Department of Executive Administration  
Director's Rule No. 5-003, implementing  
Seattle Business Tax Ordinance relating to  
Business License Suspension and  
Revocation.

The City of Seattle – Legislative Department

Clerk File sponsored by: \_\_\_\_\_

| Committee Action: |                |      |
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| Date              | Recommendation | Vote |
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This file is complete and ready for presentation to Full Council. \_\_\_\_\_

| Full Council Action: |          |      |
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| Date                 | Decision | Vote |
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Related Legislation File: \_\_\_\_\_

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| Date Introduced and Referred: | To: (committee):          |
| Date Re-referred:             | To: (committee):          |
| Date Re-referred:             | To: (committee):          |
| Date of Final Action:         | Disposition: <u>Filed</u> |

1/23/09  
**Date Filed with City Clerk**  
Emilia M. Sanchez  
**By**

**THE CITY OF SEATTLE**  
**DIRECTOR'S RULE**  
**IMPLEMENTING SEATTLE BUSINESS TAX ORDINANCE**  
**RULE 5-003**

**Seattle Rule 5-003**      **Business license suspension and revocation.**

- (1) **Acts justifying suspension or revocation of business license.** SMC 5.55.230 governs the suspension and revocation of business licenses. The Department may suspend or revoke a business license if:
- (a) The license was procured by fraud or false representation of fact;
  - (b) The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, 5.37, 5.40, 5.45, 5.46, 5.48, 5.52, or 5.55 of the Seattle Municipal Code; or
  - (c) The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6 of the Seattle Municipal Code.
- (2) **Date suspension or revocation takes effect.** No suspension or revocation of a license issued pursuant to the provisions of SMC Chapter 5.55 shall take effect until thirty (30) days after the mailing of the notice thereof by the Director by certified mail, and if appeal is taken as prescribed in SMC 5.55.230, until final action by the Hearing Examiner. If the licensee does not timely appeal, the suspension or revocation becomes final effective 30 days after the date the notice was mailed.
- (3) **Definition.**
- Business license. The term "business license," as used in this section, has the same meaning as the term used in SMC 5.55.
- (4) **Procedure.**
- (a) Notice required. The Director, or his or her designee, shall notify a licensee in writing by certified mail of the suspension or revocation of his or her license and the grounds therefor. Licensees shall ensure that their current mailing address is on file with the Department. Mailing to the licensee's most recent address on file with the Department shall be sufficient notice. If notice is mailed to such address, actual receipt of the notice is not required to effectuate suspension or revocation of the license.
  - (b) Appeal. A licensee may, within thirty (30) days from the date that the suspension or revocation notice was mailed to the licensee, appeal from such suspension or revocation by filing a written notice of appeal ("petition") setting forth the grounds therefor with the Office of the Hearing Examiner. The licensee must provide a copy of the petition to the Director and the City Attorney on or before the date the petition is filed with the Hearing Examiner in order to perfect the appeal. The hearing shall be conducted in accordance with the procedures for hearing contested cases in the Seattle Administrative Code (Chapter 3.02 of the Seattle Municipal Code). The Hearing Examiner shall set a date for hearing the appeal and notify the licensee by mail of the time and place of the hearing. After the hearing, the Hearing Examiner shall make appropriate findings of fact, and conclusions of law. The Hearing Examiner shall affirm, modify, or overrule the suspension or revocation. If the Hearing Examiner modifies or overrules the Director's action, it may reinstate the license, or may impose any terms upon the continuance of the license that the Hearing Examiner may deem advisable.
  - (c) Action stayed upon appeal. The suspension or revocation action is stayed upon appeal pending final action by the Hearing Examiner.

**THE CITY OF SEATTLE**  
**DIRECTOR'S RULE**  
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**RULE 5-003**

- (d) Surrender of license required. All licenses which are suspended or revoked shall be surrendered to the City on the effective date of such suspension or revocation. It is unlawful for any licensee to engage in business after its business license has been suspended or revoked.
  - (e) License fee nonrefundable. Upon suspension or revocation of any license, no portion of the license fee shall be returned to the licensee.
  - (f) Order shall be posted. A final suspension or revocation order shall be posted in a conspicuous place at the main entrance to the licensee's place of business and shall remain posted until the business license has been reinstated.
- (5) **Reinstatement of business license.** A suspended or revoked business license shall not be reinstated until:
- (a) All amounts due have been paid, or arrangements for payment have been approved by the Director;
  - (b) The licensee has posted with the Department a bond or other security in an amount equal to at least one-half its future estimated average annual tax liability; and
  - (c) All conditions imposed by the Director and/or the Hearing Examiner have been fulfilled.

Effective: January, 2009.

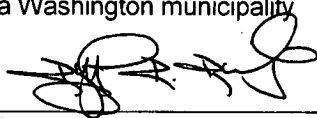
**DIRECTOR'S CERTIFICATION**

I, Dwight Dively, Finance Director of the City of Seattle, do hereby certify under penalty of perjury of law, that the within and foregoing is a true and correct copy as adopted by the City of Seattle, Department of Executive Administration.

DATED this 20<sup>TH</sup> day of January, 2009

CITY OF SEATTLE,  
a Washington municipality

By: \_\_\_\_\_

  
Dwight Dively, Director  
Finance Department